

Message Text

LIMITED OFFICIAL USE

PAGE 01 CAIRO 03926 181610Z

60

ACTION NEA-09

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-03 H-02 INR-07 L-02

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05

COME-00 EB-07 FRB-03 TRSE-00 XMB-02 OPIC-03 CIEP-01

LAB-04 SIL-01 OMB-01 AGR-05 /086 W

----- 076158

R 181451Z APR 75

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 3424

INFO USINT BAGHDAD

AMEMBASSY BEIRUT

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

LIMITED OFFICIAL USE CAIRO 3926

E.O. 11652: NA

TAGS: EGEN EG

SUBJECT: NEW CABINET MAKES FIRST (ECONOMIC) DECISIONS

REF: CAIRO 3813

1. NEW CABINET HELD ITS FIRST SESSION ON APRIL 17, A SIX HOUR MEETING CHAIRED BY PRIMIN SALIM. ALL PAPERS GAVE EXTENSIVE FRONT PAGE COVERAGE TO EVENT.

2. AT PRESS CONFERENCE WHICH FOLLOWED, MININFO ABDUL MAGD ANNOUNCED THAT PM PLACED GREAT EMPHASIS ON NECESSITY OF IMPLEMENTING OPEN DOOR POLICY, WHICH EMBRACES IDEALOGICAL, POLITICAL, ECONOMIC AND ADMINISTRATIVE ASPECTS. TOO MUCH CONTROL WILL RENDER IT INEFFECTIVE, ACCORDING TO PM, WHO ALSO SAID THAT DUTY OF NEW CABINET IS TO ADD TO TREMENDOUS PROGRESS MADE BY OLD ONE, AND NOT UNDERMINE PREVIOUS ACHIEVEMENTS DURING PROCESS OF "RECTIFICATION".

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CAIRO 03926 181610Z

3. PRIMIN ALSO STRESSED VITALNEED FOR DOMESTIC STABILITY

DURING PROCESS OF ECONOMIC AND SOCIAL DEVELOPMENT, AND NECESSITY FOR CLOSE COOPERATION AND COORDINATION BETWEEN ELEMENTS OF THE NATION. REFORM STARTS AT THE TOP, HE ADDED, AND EXAMINATION OF FINANCIAL DECLARATIONS OF SENIOR OFFICIALS WILL START IMMEDIATELY.

4. FIVE MINISTERIAL COMMITTEES WERE NAMED: PLANNING, UNDER SALIM; PUBLIC SERVICES UNDER DEPUTY PM/MIN ED GHANEM; PRODUCTION UNDER MINPOWER SULTAN; SOCIAL DEVELOPMENT UNDER MIN SOC AFF RATEB? LEGISLATIVE UNDER MINJUSTICE YUNIS. COMPOSITION OF COMMITTEES AND THEIR SPECIFIC FUNCTIONS HAVE NOT YET BEEN GIVEN.

5. FIVE DECISIONS MADE BY CABINET TO EASE BURDEN ON POPULATION WERE HERALDED IN PRESS:

A. WORKERS RECEIVING LESS THAN LE 30 PER MONTH WILL NO LONGER HAVE MANDATORY SAVINGS DEDUCTIONS MADE FROM SALARY, AND COLLECTIONS MADE FOR THE PAST THREE MONTHS WILL BE RETURNED. (DEDUCTIONS WERE MADE AT RATE OF ONE DAY'S WAGES PER MONTH. CHANGE WILL THEREFORE RESULT IN INCREASE OF ABOUT 3 PERCENT).

B. AN AREA OF 500 FEDDANS, ABOUT 500 ACRES, WILL BE DESIGNATED FOR PRODUCTION OF VEGETABLES IN AND FOR CAIRO.

C. EXPANSION OF SYSTEM OF CONSUMER COOPS AND SUPPLY KIOSKS IN WORKER'S COMMUNITIES WILL BE UNDERTAKEN.

D. A CABINET COMMITTEE WILL BE FORMED TO UNDERTAKE A STUDY OF THE STATUS OF PUBLIC SECTOR PERSONNEL. (THIS APPARENTLY REFERS TO QUESTIONS OF WAGES AND PROMOTIONS THAT HAS BEEN UNDER DISCUSSION IN PEOPLE'S ASSEMBLY IN RECENT WEEKS.)

E. DECISION- IN PRINCIPLE - TO HAND OVER TITLE OF NEWLY RECLAIMED LANDS TO THOSE WHO HAVE BEEN CULTIVATING THEM UNDER LEASE.

F. DECISION - IN PRINCIPLE - APPROVING ESTABLISHMENT OF LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 CAIRO 03926 181610Z

AGRICULTURAL COMPANIES TO UNDERTAKE DEVELOPMENT OF NEWLY RECLAIMED LANDS. THIS RELATES TO MAJOR PROJECTS LIKE NUBARIAH, IN WHICH FMC AND TRIAD (ARIZONA CATTLE) HAVE BEEN INTERESTED, AND WHICH HAVE MADE VIRTUALLY NO PROGRESS IN PAST YEAR. WE ARE INFORMED THAT CABINET, WHEN CONSIDERING ROMANIAN, YUGOSLAV AND ARIZONA CATTLE OFFERS EXPRESSED CONCERN THAT AMERICAN COMPANY'S PRICE IS FOUR TIMES THAT OF OTHER BIDDERS.

6. COMENT: ABOVE ACTIONS, WHILE HARDLY SIGNIFICANT
BY THEMSELVES, PARTICULARLY WHEN MEASURED AGAINST
ARRAY OF ECONOMIC PROBLEMS FACING GOE, ARE INTENDED SIGNAL
NEW GOVT'S CONCERN TO IMPROVE WELFARE OF PUBLIC. GIVEN
HORRENDOUS ECONOMIC PROBLEMS GOE FACES, MORE THAN ABOVE
MODEST MEASURES WILL BE NEEDED TO SUSTAIN PUBLIC CONFIDENCE
AND GRAVEST HEADACHE OF NEW CABINET REMAINS LIQUIDITY
PROBLEM.
EILTS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CABINET MEETINGS, ECONOMIC PROGRAMS
Control Number: n/a
Copy: SINGLE
Draft Date: 18 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GarlanWA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975CAIRO03926
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750137-0529
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750435/aaaabgba.tel
Line Count: 125
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 CAIRO 3813
Review Action: RELEASED, APPROVED
Review Authority: GarlanWA
Review Comment: n/a
Review Content Flags:
Review Date: 01 AUG 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 AUG 2003 by ShawDG>; APPROVED <02 SEP 2003 by GarlanWA>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: NEW CABINET MAKES FIRST (ECONOMIC) DECISIONS
TAGS: EGEN, EG
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006